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MEMORANDUM FOR THE RECORD

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SUBJECT: Briefing of HPSCI Staff on Security Evaluation Office

1. On 25 April, Fred Hutchinson, Director of the Security Evaluation Office (SEO), Executive Officer of SEO, Leo Hazelwood, Deputy Comptroller, and the undersigned met with Thomas Latimer, Thomas Smeeton, Michael O'Neil and Richard Giza of the House Permanent Select Committee on Intelligence staff to brief them on the newly established Security Evaluation Office.

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- 2. Hutchinson, using a series of charts (record copy in OCA Registry), outlined the authorities, mission, functions and resource requirements for SEO. Key points made by Hutchinson were:
  - --The Director of SEO will be named by the DCI and will be responsive to the DCI. There will be no intervening levels of reporting. The Deputy to SEO will be a State Department Officer, nominated by State and approved by the DCI. A State candidate has been identified and interviewed by Hutchinson who will soon make a recommendation to the DCI about hiring the candidate.
  - --Hutchinson will chair an Advisory Group on which will sit, among others, Robert E. Lamb, Assistant Secretary and Director of the Bureau of Diplomatic Security. A High Level Board will be constituted, chaired by the DCI and will include the Secretary of State as a member. One purpose of the borad will be adjudicate disputes over embassies which fail to meet established standards. Hutchinson emphasized that disputes which are not resolved by the Board must be reported both to the President and the Congress.
  - --For FY 1989, SEO will need 60 positions and
  - --SEO will seek not to duplicate the efforts of others; rather, it will draw upon the expertise wherever it exists in the Intelligence Community. SEO will monitor by reviewing reports of other agencies and will be involved in the auditing of embassies

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by establishing a presence on the audit teams.

Latimer indicated that "the Hill" was skeptical about the willingness of the Intelligence Community to do truely meaningful work to improve embassy security. The culture at State on security issues makes improvements a most difficult Latimer was concerned that the SEO was just another "paper exercise" The SEO effort seemed small in comparison to the work needed done. The real problem was "getting something done." Latimer cited a couple of examples about past failures of the Community to analyze the vulnerabilities and threat at U.S. embassies and the failure of the various agencies to communicate with each other. Hutchinson replied that it is important to start small, i.e. 60 people and to make small but important in roads. The unit could always be expanded. Hutchinson said he had already met with Lamb, and, based on that conversation, he was optimistic that State was serious. Hutchinson also said that he had no intention of making a paper exercise out of the effort. He knows he faces a difficult problem and fully appreciates the barriers which have to be overcome. The effort will take time, and he is willing to keep Congress appraised of results and problems.

| his | Skepticism king.      | aside, | Latimer | indicated | that   | Hutchinson  | had |
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cc: D/SEO
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